

THE UNION NATIONAL BANK OF PITTSBURGH

POST OFFICE BOX No. 837

PITTSBURGH, PA. 15230

WILLIAM R. CLARKSON, JR.
VICE PRESIDENT

March 4, 1981

WRITERS DIRECT DIAL NUMBER
412-644-8128

REGISTERED MAIL

Secretary of the Interstate Commerce
Commission
Washington, D.C. 20423

RE: Request for Recording of Mortgage of Railroad
Rolling Stock

12976
RECORDATION NO. _____ Filed 1428

MAR 9 1981 - 11 00 PM
INTERSTATE COMMERCE COMMISSION

1-068A090

No. _____
MAR 9 1981
Date.....
Fee \$ 50.00
ICC Washington, D. C.

Dear Sir:

Please find enclosed for recording pursuant to Section 11303 of the Interstate Commerce Act the following primary document:

Mortgage of Railroad Rolling Stock dated February 11, 1981
between Robert N. Lando and Patti Lando, Mortgagors, and
The Union National Bank of Pittsburgh, Mortgagee.

The executed and acknowledged original document, one executed and acknowledged counterpart thereof, and one certified copy thereof are enclosed, together with the requisite \$50 filing fee.

The address of the Mortgagors, Robert N. Lando and Patti Lando, is 5045 Fifth Avenue, Pittsburgh, Pennsylvania 15232. The Mortgagee, The Union National Bank of Pittsburgh, has an office at Fourth Avenue and Wood Street, Pittsburgh, Pennsylvania 15222.

Said Mortgage is filed against five (5) Type 230 boxcars, ARR Mechanical Designation XL, bearing reporting mark and numbers ATW 25135 through 25139, both inclusive. Said boxcars also bear the following legend:

Subject to a Security Interest in favor of Pittsburgh
National Bank per mortgage filed with Interstate Commerce
Commission pursuant to Section 11303 of the Interstate
Commerce Act.

Upon discharge or satisfaction in full of the security interest of Pittsburgh National Bank, this legend will be removed from the boxcars and replaced with the following legend:

Subject to a Security Interest in favor of The Union
National Bank of Pittsburgh per mortgage filed with
Interstate Commerce Commission pursuant to Section 11303
of the Interstate Commerce Act.

RECEIVED
MAR 9 10 58 AM '81
FEE OPERATING BR.

THE UNION NATIONAL BANK OF PITTSBURGH

POST OFFICE BOX NO. 637

PITTSBURGH, PA. 15230

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PAID BY DEPOSIT

THE UNION NATIONAL BANK

OF PITTSBURGH

CONTINUATION SHEET

Secretary of the Interstate Commerce Commission
March 4, 1981
Page Two

Please return the original document to the undersigned, William R. Clarkson, Jr., Vice President, at The Union National Bank of Pittsburgh, Fourth Avenue and Wood Street, Pittsburgh, Pennsylvania, 15222.

Very truly yours,



William R. Clarkson, Jr.
Vice President

WRC/sms

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

3/9/81

OFFICE OF THE SECRETARY

William R. Clarkson, Jr.

Vice President

Union National Bank of Pittsburgh

Fourth Avenue & Wood Street

Pittsburgh, PA. 15222

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **3/9/81** at **11:00am**, and assigned re-
recording number(s). **12976**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

12976
RECORDATION NO. Filed 1425

MAR 9 1981 -11 00 PM

INTERSTATE COMMERCE COMMISSION

MORTGAGE OF RAILROAD
ROLLING STOCK

ROBERT N. LANDO and PATTI LANDO
MORTGAGOR

THE UNION NATIONAL BANK OF PITTSBURGH
MORTGAGEE

DATED FEBRUARY 11, 1981

MORTGAGE OF RAILROAD ROLLING STOCK

ROBERT N. LANDO and PATTI LANDO residing at 5045 Fifth Avenue, Pittsburgh, Pennsylvania (jointly and severally hereinafter referred to as "Mortgagor") and THE UNION NATIONAL BANK OF PITTSBURGH ("UNB"), a national banking association organized and existing under the laws of the United States, with an office at Fourth Avenue and Wood Street, Pittsburgh, Pennsylvania 15222, in consideration of the mutual covenants and agreements contained herein, hereby Recite and Agree as follows:

Recitals

1. Ownership of Units

Mortgagor is the owner of five (5) railroad boxcars specifically identified in Schedule 1 hereto, (all of which cars and any other railroad rolling stock covered hereby, whenever acquired, together with all replacements, replacement parts, additions, repairs, repair parts, accessions and accessories incorporated therein and/or affixed thereto, all special tools and devices incorporated thereinto, and all replacements and substitutions thereof are hereinafter referred to collectively in the plural as the "Units" and in the singular as "Unit").

2. Agreement to Finance

UNB has agreed, subject to the terms and conditions of a Loan and Security Agreement dated FEBRUARY 11, 1981, by and between Mortgagor and UNB, to lend to Mortgagor the maximum principal amount of ONE HUNDRED FIFTY NINE THOUSAND Dollars (\$ 159,000.00) ("Agreement").

3. Agreement to Secure Advances

Mortgagor has agreed to grant in the Agreement and grants to UNB hereby a security interest in the Units to secure advances made and to be made by UNB to Mortgagor under and pursuant to the Agreement.

4. Mortgagor's Obligations

Mortgagor's obligations hereunder shall include the total unpaid amount of Mortgagor's Note together with any and all of Mortgagor's obligations under the Agreement, a security agreement referred to in Section 2.3 of the Agreement or hereunder all

of whatever kind and whenever created of Mortgagor to UNB, including interest, whether direct or indirect, absolute or contingent, now existing or hereafter arising, all of which are covered by this Mortgage and are herein collectively called the "Obligations".

Agreements

5. Mortgage Interest

To secure payment and performance of the Obligations, Mortgagor grants to UNB a continuing security interest in the following, and, if moved, sold, leased or otherwise disposed of, the proceeds thereof:

Whether now in existence or hereafter acquired, all of the following: The railroad rolling stock specifically identified in Schedule 1 hereto (to be further identified, supplemented and added to from time to time); together with all replacements, replacement parts, additions, repairs, repair parts, accessions and accessories incorporated therein and/or affixed thereto, all special tools and devices incorporated therein or used in connection therewith; and together with all products, replacements, additions, substitutions and proceeds (including any claims or insurance payable by reason of loss or damage to the Units) thereof ("Mortgaged Property").

6. Inspection, Selection and Delivery of Units

As to each Unit, Mortgagor or Manager has inspected and carefully selected such Unit under the terms of any agreement affecting the purchase thereof and will take delivery thereof. By having inspected, selected and taken delivery of such Units, Mortgagor shall and does warrant to UNB that each delivered Unit is in the condition, repair and of a value to be fully suitable for all purposes hereunder.

7. Repairs, Alterations, Additions, Improvements and Expenses

During the effectiveness hereof, Mortgagor will make or cause to be made such repairs, alterations, additions and improvements as are or may be required from time to time (a) under the Management Agreement or Management Agreements and/or (b) to insure compliance herewith and with all laws, rules and regulations to which reference is made in Section 8 hereof. Without the prior written consent of UNB, Mortgagor shall not make or cause to be made other alterations, additions or improvements to

any Unit, unless such may be made without reduction of the value of that Unit below the amount which it would have been had no alteration, addition or improvement been made, and without impairment to the condition and working order required hereby.

Mortgagor will keep or cause to be kept each Unit in good repair, condition and working order and will furnish or cause to be furnished all parts, mechanisms and devices required to keep each Unit in good mechanical and working order and in compliance with the laws to which reference is made in Section 8 hereof. UNB shall have no responsibility for any cost arising under this Section or for any expense arising out of or necessary for the operation and use of the Units, including but not limited to maintenance, repairs and replacement parts, storage, tolls, tariffs, fines, registration and insurance fees for all insurance required hereby.

8. Use and Standards of Use and Repair

Mortgagor will repair, keep in repair and cause the Units to be used in a careful and proper manner and will comply with and conform to and with all current and future federal, state, municipal, police and other laws, ordinances and regulations relating to the possession, use or maintenance of the Units. Mortgagor will comply or through the Manager cause compliance with all rules, interpretations, codes and orders governing use, hire, condition, repair and all other matters interpreted as being applicable to the Units during the effectiveness hereof by and of the American Association of Railroads ("AAR") and any other organization, association, agency or governmental authority, including the Interstate Commerce Commission and the Department of Transportation, which may during the effectiveness hereof be responsible for or have authority to promulgate such rules, interpretations, codes and orders. Mortgagor agrees to indemnify and hold UNB safe and harmless from and against any and all claims, costs, expenses (including without limitation attorneys' fees), damages and liabilities claimed, arising from or pertaining to such laws, ordinances, regulations, rules, interpretations, codes and orders.

9. Supplemental Schedules and Identification

In the event of any addition or substitution of Mortgaged Property hereunder, Mortgagor will forthwith prepare and submit to UNB Supplemental Schedules in form and substance satisfactory to UNB. In addition, Mortgagor will affix or cause to be affixed to each Unit and maintain throughout the effectiveness hereof, labels, plates or other markings identifying the Units and UNB's interest therein, including without limitation the marks and stencils recited in the Schedule. Mortgagor agrees to

join with UNB in the execution of any documents and to pay all recording costs, fees and taxes associated therewith which UNB may request to give evidence of UNB's interest in the Units and Mortgagor agrees that UNB may give notice of such interest to any and all of Mortgagor's creditors.

10. Insurance

Mortgagor further warrants and covenants that he will keep and maintain the following insurance on and in respect of the Collateral and of its business generally:

(a) Coverage. Mortgagor will carry, at his cost and at no cost to UNB, with insurers of recognized responsibility comprehensive public liability and property damage insurance in respect of the operation and use of the Units, in an amount not less than \$10,000,000.00 for each occurrence, which insurance may contain a \$1,000.00 deductible provision for any one occurrence. In addition each Unit shall be insured against casualty damage in a minimum initial amount of \$29,700 per car and a reducing amount thereafter so long as the casualty insurance carried on all of Mortgagor's Units exceeds at all times 110% of the unpaid principal amount of Mortgagor's Note.

(b) Policy Provisions. Mortgagor shall cause each insurance policy issued pursuant to the requirements of subsection (a) hereof to provide, and the insurer issuing such policy to certify to UNB, that (i) UNB, as mortgagee of the Units, is an additional insured thereunder, (ii) all provisions of such policy, except the limits of liability, will operate in the same manner as if there were a separate policy covering each insured and (iii) if such policy be cancelled or materially changed for any reason whatsoever such insurer will promptly notify UNB and such cancellation or change will not be effective for thirty (30) days after notice to UNB.

(c) Delivery of Policies and Receipts for Premiums. Mortgagor shall deliver to UNB copies of each such insurance policy (or a certificate of insurance relating thereto) upon or prior to the execution hereof and copies of each renewal policy (or a certificate or other evidence of insurance relating thereto) prior to the expiration of the original policy or preceding renewal policy, as the case may be (provided, however, that Mortgagor shall notify UNB in writing of the status of such insurance thirty (30) days prior to the expiration thereof in the event he has not then delivered to UNB a renewal policy, or a certificate or other evidence of insurance relating thereto), and Mortgagor shall deliver to UNB receipts or other evidence that the premiums thereon have been paid if reasonably requested by UNB.

11. Loss or Damages

If damage occurs to any of the Units Mortgagor at his option shall:

(a) Cause the Unit which has suffered the damage to be placed in the repair, condition and working order required hereby;

(b) Declare that the Unit has suffered an Event of Loss in which event Mortgagor shall make the prepayment required by Section 1.4 of the Agreement.

In the event the Mortgagor elects to repair the Unit which suffered the damage UNB will, upon proof satisfactory to it of the completion of all necessary repair, release to the Manager any insurance proceeds received by UNB as a result of the occurrence of the damage. In the event the Mortgagor declares that the Unit has suffered an Event of Loss UNB shall apply insurance proceeds related to the Event of Loss and received prior to the prepayment date to prepay Mortgagor's Obligations as set forth in the Agreement. If UNB has been prepaid at the time it receives the insurance proceeds it shall deliver those proceeds to the Manager for disbursement pursuant to the Management Agreement or any subsequent Management Agreements.

12. Assignment

Mortgagor will not sell, assign, sublet, pledge, hypothecate or otherwise encumber or suffer a lien upon or against any interest in the Units without the prior written consent of UNB. UNB may assign this Mortgage or any right and title it has hereunder upon written notice thereof to Mortgagor and such assignment shall be on terms and conditions not inconsistent herewith.

13. Default

Mortgagor shall be deemed to be in default hereunder in the event that an Event of Default should occur under Section 6.1 of the Agreement.

14. Enforcement of Security and Remedies

In the event of default hereunder, then, or at any time thereafter (such default not having previously been cured), UNB may declare all of the Obligations to be immediately due and payable, without notice or demand therefor, and shall then have all remedies hereunder, under the Agreement and all the remedies of a secured party under the laws of the Commonwealth of Pennsylvania, or any other applicable laws, including, without limitation, the

right to take possession of the Units, and for that purpose UNB may require Mortgagor to make the Units and the records thereof available to UNB at a place to be designated by UNB reasonably convenient to both parties and may, so far as Mortgagor can give authority therefor, enter upon any premises on which the Units or any part or records thereof may be situated and remove the same therefrom, and Mortgagor hereby waives and releases UNB of and from any and all claims in connection with such removal.

The parties hereto recognize that the Units may and probably will be widely scattered geographically, difficult of preservation and disposition, important to the continued operation of shippers and subject to complex maintenance and management. Accordingly, those parties agree that, after default, UNB is to have the widest possible latitude to preserve and protect the Units and its security therein and agree further that, at its option, UNB shall have the unqualified right to appointment of receivers for the preservation, possession, protection and disposition of all or part of the Units and the collection and protection for UNB of any proceeds of use or disposition thereof and/or to do any other thing and exercise any rights or remedies which UNB may or might, with or without judicial process, do or exercise.

After UNB takes or receives possession of the Units following default hereunder, UNB may sell, lease or otherwise dispose of the Units in any manner permitted by law, and if such notice is required by law, UNB will give Mortgagor written notice of the time and place of any public sale of the Units or of the time after which any private sale or other intended disposition thereof is to be made, and at any such public or private sale UNB may purchase all or any part of the Units. The parties hereto agree that notice under this paragraph shall not be unreasonable as to time if given in compliance herewith 10 days prior to sale or other disposition.

To the extent permitted by applicable law, Mortgagor hereby waives any rights for or hereafter conferred by statute or other wise which may require UNB to sell, lease or otherwise use any Units in mitigation of UNB's damages as set forth in this Section or which may otherwise limit or modify any of UNB's rights or remedies under this Section.

Mortgagor shall pay to UNB, on demand and as part of the obligations secured hereunder, all costs and expenses, including court costs, legal expenses and reasonable attorneys' fees, incurred by UNB in exercising any of its right or remedies hereunder or enforcing any of the terms, conditions or provisions hereof.

15. Concurrent Remedies

No right or remedy of UNB hereunder shall be exclusive of any other remedy herein or by law provided; each right or remedy shall be cumulative and in addition to every other right or remedy and, in addition, the exercise of any remedy by UNB hereunder shall not of itself constitute a recognition of a default of all provisions hereof or of an intent by UNB to terminate all the provisions hereof. Moreover, a failure of UNB to insist upon strict compliance with the terms hereof or to assert any right or remedy hereunder shall not be waiver of any default and shall not be determined to constitute a modification of the agreements of the parties hereto or the terms hereof or to establish any claim or defense.

16. Mortgagee's Payment

In the event that Mortgagor should fail duly and promptly to perform any of the things required to be performed hereunder, UNB may, at its option, immediately or at any time thereafter, perform the same for the account of Mortgagor without thereby waiving any default, and any amount paid or expenses or liability incurred by UNB in such performance, together with interest thereon at the rate of three percent (3%) per annum in excess of the Prime Rate as that rate may change from time to time until paid shall be payable to UNB by Mortgagor on demand and shall be and become part of the obligations secured hereunder.

17. Notice

Except as otherwise specifically provided herein, notice shall be deemed to have been properly given to Mortgagor when deposited in the United States mail, first class postage prepaid and addressed to the Mortgagor at Suite 500, 601 Grant Street, Pittsburgh, Pennsylvania 15219. Any communication to UNB shall be deemed properly given if similarly mailed to The Union National Bank of Pittsburgh, Fourth Avenue and Wood Street, Pittsburgh, Pennsylvania 15222, Attention: Commercial Lending Division, William R. Clarkson, Jr. Either party hereto may at any time change its address for notification purposes by mailing, as aforesaid a notice stating the change and setting forth the new address; provided, however, all notices to Mortgagor shall only be sent to Mortgagor care of Kossis Magrish Company.

18. Miscellaneous

All covenants and agreements in this Mortgage contained by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the

parties hereto whether so expressed or not, except that Mortgagor shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of UNB.

The titles to the various sections of this Mortgage are solely for convenience and are not a part of the Mortgage for purposes of interpreting the provisions hereof.

This Mortgage, the Schedule, or any other instruments, documents or agreements to be delivered hereunder, are being executed and delivered and are intended to be performed in the Commonwealth of Pennsylvania. The parties hereto agree that the law of the Commonwealth of Pennsylvania shall govern their rights and duties hereunder, excepting applicable federal law.

As used in this Mortgage the term "Mortgagor", if there be more than one party executing this Mortgage as Mortgagor, shall mean all such parties and each of them and in such case they are jointly and severally bound.


This written agreement is exclusive as to its subject matter and no inconsistent oral agreement shall be binding.

IN WITNESS WHEREOF, the parties hereto have caused this Mortgage to be duly executed this 11th day of FEBRUARY, 1981.

WITNESS as to both:

MORTGAGORS

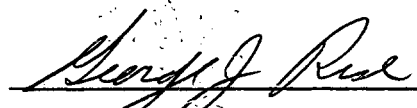
Antoine M. Gordon


By  (SEAL)
Robert N. Lando

 (SEAL)
Patti Lando

ATTEST:

THE UNION NATIONAL BANK OF
PITTSBURGH (SEAL)


Title: ASST. CASHIER

By 
Title: VICE PRESIDENT

SCHEDULE 1

To Mortgage of Railroad Rolling Stock
Dated February 11, 1981

Description of Equipment (Units):

<u>Type</u>	<u>ARR</u>	<u>Number of Units</u>
A230	<u>Mechanical Designation</u>	
	XL Boxcar	5

<u>Identifying Marks</u>	<u>and</u>	<u>Road Serial Numbers</u>
ATW		25135 25136 25137 25138 25139

Legend to be placed on each unit in one inch letters:

"Subject to a Security Interest in favor of The
Union National Bank of Pittsburgh per mortgage
filed with Interstate Commerce Commission pur-
suant to Section 11303 of the Interstate
Commerce Act."

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

On this 11th day of February, 1981, before me personally appeared William R. Clarkson to me personally known, who, being by me duly sworn, says that he is Vice President of The Union National Bank of Pittsburgh, that the seal affixed to the foregoing instrument is the corporate seal of The Union National Bank of Pittsburgh, and that the foregoing instrument was signed on behalf of The Union National Bank of Pittsburgh by authority of its Articles of Incorporation and By-Laws, and he acknowledged that the execution of the foregoing instrument was the free act and deed of The Union National Bank of Pittsburgh.

Maria Erika Duffy
Notary Public

MARIA ERIKA DUFFY, NOTARY PUBLIC
PITTSBURGH, ALLEGHENY COUNTY
MY COMMISSION EXPIRES DEC. 31, 1984
Member, Pennsylvania Association of Notaries

(NOTARIAL SEAL)

My Commission Expires: December 31, 1984

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

On this 11th day of February, 1981, before me personally appeared ROBERT N. LANDO and PATTI LANDO, to me personally known to be the persons described in and who executed the foregoing instrument as Mortgagors, who, being by me duly sworn, acknowledged that the execution of the foregoing instrument was their free act and deed.

Patricia E. Hansen
Notary Public

(NOTARIAL SEAL)

My Commission Expires:

PATRICIA E. HANSEN, Notary Public
Pittsburgh, Allegheny County, Pa.
My Commission Expires April 12, 1982